

The Nationalization of the Mines in England

A Defeat for the Miners and Their Retort

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By W. P. CROZIER

THE question whether the mines should be nationalized is now the principal single issue of politics in England; next to it comes the question whether the debt should be reduced by a levy on capital, but that is not yet a really practical question, whereas nationalization is.

It furnishes a dividing line between Labor and Coalition parties and it is by no means unlikely that upon it more than upon any other single issue the next general election will be fought. The whole of the Labor movement supports the demand of the miners that the mines should be nationalized on the ground that under private ownership they are in many ways wastefully and inefficiently managed and that the profits, since the mining industry is a national and indispensable service, ought not to go into the pockets of private citizens but—if there be profits at all—into the coffers of the community at large. The Coalition, represented by Mr. Lloyd George and Mr. Bonar Law, repudiates absolutely the idea of nationalization. They will admit a certain measure of joint control by owners and miners, but they insist on the retention of private ownership. So does Mr. Asquith, the leader of the Independent Liberals, but among his following there is a sharp difference of opinion. Many Liberals, while not admitting the general principle of nationalization, are prepared to consider the merits of each separate case as it comes up and they take the view that the mining industry is one in which, from its special and peculiar character, the experiment should be made. When we have seen how it works, they say, we shall know better than we do now whether it is advisable to extend it, as for example, to the railways.

During the last few days a decision has been made by the labor world which is of extreme importance for our peaceful development both in politics and in industry. The great trade unions, assembled in special congress, have refused by a vote of four to one (nearly four millions to one million) to support the miners in "direct action," that is to say, in the declaration of a general strike in order to compel the government and the people to nationalize the mines. On the contrary, they declared firmly that they would work for nationalization only by the accepted methods of propaganda and persuasion.

Victory for Law and Order

THIS was a heavy and well-merited defeat for methods of violence and a great victory for constitutionalism and order. The miners have promptly retorted that if they cannot limit private profits through nationalization, they will at least insist on largely increased wages, whether the increase comes out of the private owners' profits or out of the hard-pressed consumer. They have demanded an increase of three shillings per day for every worker in the mines over the age of 16 and one shilling and sixpence for everyone under 16, which means an additional burden of \$225,000,000 per year upon the mining industry. But to understand the question it is necessary to look back to the history of last year.

In the spring of last year the miners put forward a large program of demands and the government appointed a special commission to inquire and report, especially into the question of the future organization of the industry, whether, that is to say, private ownership should continue or should be abandoned for nationalization or some form of joint control. The government did not say specifically that it would carry out the recommendations of the commission or of its chairman, Mr. Justice Sankey, whatever they might be, but the miners have always maintained that the action of the government, in appointing the commission in order to avoid a grave national crisis, could have no meaning unless the government intended to carry out the principal conclusions to which the committee should come.

As it happened, it was pretty well known that one section of the commission was already committed to nationalization and the other section against it, and so it proved. All the more weight, therefore, was inevitably attached to the report of Mr. Justice Sankey, for whose impartiality and detachment of mind there was universal respect. And Mr. Justice Sankey pronounced firmly and whole-heartedly in favor of nationalization. He was of course in favor of the purchase by the state of all coal royalties—the system under which the mining industry (or ultimately, the consumer) pays a tribute on every ton of coal that is won to the owner of the land above it. I say "of course" because all the reports, even that of the owners' section of the commission, agreed that the royalty owners (4,000 in number) must be bought out, and the government adopted this as part of its own scheme.

But Mr. Justice Sankey went much further and recommended that the state should buy out the whole of the collieries and all their equipment, lock, stock and barrel. He justified his proposal on many different grounds, such as the waste and overlapping of the present system, under which there are about 3,000 pits owned by some 1,500 companies or individuals. Some people urged that these defects could be cured by a system of unification in assigned areas without state owner-

ship, but Mr. Justice Sankey went to a deeper principle and replied to this—

"A great change in outlook has come over the workers in the coalfields and it is becoming increasingly difficult to carry on the industry on the old accustomed lines. The relationship between the masters and workers in most of the coalfields in the United Kingdom is, unfortunately, of such a character that it seems impossible to better it under the present system of ownership. Many of the workers think they are working for the capitalist and a strike becomes a contest between Labor and Capital. This is much less likely to apply with the State as owner and there is fair reason to expect that the relationship between Labor and the Community will be an improvement upon the relationship between Labor and Capital in the coalfields. "Half a century of education has produced in the workers in the coalfields far more than a desire for the material advantages of higher wages and shorter hours. They have now, in many cases and to an ever increasing extent, a higher ambition of taking their share and interest in the direction of the industry to the success of which they, too, are contributing."

With this last principle in mind Mr. Justice Sankey worked out a scheme of administration which he thought should satisfy the determination of the miners to have a share in the shaping of the industry. These details are important because they indicate the kind of authority which the miners, after the Sankey Report, thought they had secured and which, in point of fact, they have not yet gained. They have seen themselves in imagination (1) no longer working for the private owner and (2) having a large share in the joint control of the mines, yet now, nearly a year later, they are no nearer to their goal. Mr. Justice Sankey's scheme is this—

(a) Local mining councils. The object of this part of the scheme is to take advantage of the knowledge of the workers by allowing them to sit on the councils for the purpose of advising the manager and to give them an effective voice in all questions where their own health and safety are concerned. Each council is to advise the manager of the mine "on all questions concerning the direction and safety of the mine." It is to consist of ten members:—manager, under-manager and commercial manager, four members elected by ballot by the miners and three members appointed by the district mining council. The workers at each mine are to have an "output allowance," payable half-yearly, as an incentive to industry.

(b) District mining councils. The object here is to prevent the bureaucratic running of the industry by causing it to be controlled locally by a council of fourteen, upon which there is equal representation for the miners, for the consumers and for the persons acquainted with the commercial and technical side of the industry. On these district councils will rest the main

responsibility for insuring the health and safety of the workmen in the district, and the production of coal. What exactly would the district councils have to do? They would, each in its district, "manage the entire coal extraction, the regulation of output, the discontinuance of or the opening of mines, trial sinkings, the control of prices and the basis of wage assessment and the distribution of coal." The district council would have four members elected by the workers by ballot and eight members appointed by the National Mining Council—four to represent consumers, two to represent mining engineering and two to represent the commercial side of the industry (purchase of material and sale of output).

(c) The National Mining Council. This would be composed of delegates from the district councils, one for every 5,000,000 tons of output. The national council would advise the Minister of Mines and would elect a standing committee of 18 members to assist him in superintending the work of the district councils.

This was, roughly, the scheme which the miners expected the government to adopt and carry through. It was not in all respects what they themselves desired. Under their own scheme the mines would be handed over not to the state but to a mining council, of which half the members would be appointed by the miners' federation. The consumer, who is carefully provided for by Mr. Justice Sankey, would come off badly under the miners' scheme, for the miners take the ingenious view that they can quite well represent not only themselves but the consumer also and that he needs no special safeguard—a view to which the average consumer, who always has to foot the bill, will certainly not agree.

But the government has refused to follow Mr. Justice Sankey. It is willing to buy out the royalty owners but not to purchase and work the mines; it will unify the mines in various areas and grant the miners a measure of representation on the various directing bodies but it will not go further than that and it will not limit profits.

Radicals Lose Out

SO THE miners appealed to the rest of trade union labor for support. In September of last year the Trade Union Congress, meeting in Glasgow, decided to assist the miners in "compelling" the government to adopt nationalization. The use of the word "compel" was clearly a threat of direct action, the general strike. The prime minister was formally interviewed but refused to give way. Then in December came another Labor Congress and it was decided to carry on a vigorous campaign until the meeting of Parliament in February. If the government still refused to give way, another congress was to be held to give effect to the threat of compulsion.

That congress has just been held. The miners, in preliminary meetings, decided to demand a general trade union strike, although there was a large minority (over 300,000) on the other side. But it speedily became clear that almost all the great trade unions were entirely opposed to a policy of violence which, once launched, might rapidly become revolutionary, pass out of all control and have incalculable results. Unions, such as the textile-workers, powerful, well-

organized and moderate, were dead against the strike. Mr. J. H. Thomas, the head of the railwaymen, threw all his influence against it. Mr. J. R. Clynes, one of the most influential of the labor leaders and an ex-minister, pointed out that Labor hoped shortly to be returned to power and form a government and he further pointed out that if they now adopted unconstitutional weapons their action would be cited as a precedent and justification by all the forces that will resent and resist the authority of a Labor ministry. He indicated also that a strike would suit very well the purpose of Mr. Lloyd George, who would promptly appeal to the country in an election to condemn the vicious and immoral policy of browbeating the whole community by the violent weapon of a great political strike.

The congress by a great majority condemned the strike and voted for a campaign of persuasion and propaganda. It is a great and reassuring victory for sober progress and constitutional government. But the miners are not done with yet. Last spring Mr. Justice Sankey gave them two-thirds of what they asked in increased wages. Now they are demanding the whole amount over again, to the tune of \$225,000,000 per year. Some of their spokesmen say that this must come out of the profits of the owners, so that the owners will no longer enjoy profits. Others say that the new charge will force up the cost of coal (as it will) and so of all the main necessities of life, but that the community and the labor world must be punished in this way and made to realize their folly and wickedness in not insisting that the government should adopt nationalization.

It is a queer doctrine, indeed, for those who preach above all else the solidarity of labor and if the rest of labor gets the idea that it is being punished by the miners for its conduct, it may take the sort of action, when the elections next give it an opportunity, that will make nationalization much further off than it is at present.



OTTO GESSLER is the Minister of War in the German Cabinet, succeeding Gustave Noske. Otto Gessler has been Mayor of Nuremberg and leader of the Bavarian and South German Radical Socialists.

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JEAN LOUIS BARTHOLOMEU, former Premier of France, has made a bitter attack on Lloyd George, stating that Great Britain has carried favor with the Germany of the future by not signing the stern notes sent to Germany.

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